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C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 004486

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STATE FOR NEA/NGA, SA, NEA/ARP

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TAGS: [PREL](#) [EAID](#) [ECON](#) [ETRD](#) [OPDC](#) [IZ](#) [AF](#) [KU](#)

SUBJECT: (C) KUWAITI FM DISCUSSES AID TO IRAQ, AFGHANISTAN

REF: A. KUWAIT 4451 (NOTAL)

[1](#)B. STATE 276206 (NOTAL)

[1](#)C. BELL-WILLIS TELCON 9/30/03

Classified By: AMB. RICHARD H. JONES; REASON 1.5 (B, D)

[1](#)1. (U) Action Request - see paragraphs 8, 12.

[1](#)2. (C) SUMMARY: The Ambassador discussed Iraq -- and, briefly, Afghanistan -- with Foreign Minister Shaykh Dr. Mohammed Sabah September 30 (other topics septels). The Minister was keenly interested in how the Madrid donors conference will be structured, and how contributions will be handled. He was reassured to hear the USG stands by the principle of compensation contained in UNSCR 1483. He said his government was lobbying in New York in favor of Iraqi participation in the OIC summit in Kuala Lumpur. Noting the POTUS letter to the Amir asking for continued support to Iraq and Afghanistan, the Minister wanted to know what the USG has in mind. Dr. Mohammed also raised a shipload of live sheep from Australia that is creating difficulty. END SUMMARY.

[1](#)3. (U) PARTICIPANTS: The Ambassador, accompanied by DCM and Pol Chief (Notetaker), called on Foreign Minister Shaykh Dr. Mohammed Sabah al-Salem al-Sabah September 30. MFA Americas Dept. Director Amb. Khaled al-Babtain and his Deputy Ayham al-Omar sat in.

(U) IRAQ

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[1](#)4. (C) Compensation: Drawing on cleared press guidance prepared for the 9/29 Noon Briefing, the Ambassador began by assuring the FM that US policy remains unchanged from the position enshrined in UNSCR 1483, in which we fought successfully to preserve the principle of Iraq's obligation to pay compensation for the depredations of its occupation of Kuwait. Dr. Mohammed appreciated the clarification. He noted that he had been bombarded with concerns at diwanias (following over-reactions by local media and parliamentarians to remarks made by CPA Administrator Bremer - ref A), and had responded: "without the US, we would have no compensation to talk about." He said the Council of Ministers had discussed calling on the media to "cool it," as their hysteria was no way to build a positive relationship with the new Iraq. He commented that most of the verbal attacks were from "the usual suspects."

[1](#)5. (C) OIC Summit: The Minister confirmed that his government is working in New York in support of allowing the Iraqi Governing Council (GC) to participate in the upcoming OIC summit in Kuala Lumpur. He said that the GC had indicated Malaysia and Cuba were being difficult, and the GOK had expressed its displeasure to those two governments. Cuba's objection was to language in the summit communique condemning the Saddam regime for its mass killings and welcoming UNSCR 1500; the GOK had postponed the new Cuban ambassador's presentation of credentials as a show of displeasure. Malaysia's problem was protocolary: it is hosting a summit, and Iraq has no head of state. He added that Venezuela had opposed GC participation at the most recent OPEC meeting, but had finally acquiesced to the will of the majority.

[1](#)6. (C) New UNSCR: The Ambassador shared 9/29 NEA press guidance on the status and prospects of a new UNSCR on Iraq. Dr. Mohammed was encouraged by the EC's statement indicating that there need not be a firm deadline for establishing a sovereign Iraqi government. He was interested in the Secretary's reference to a six-month period for producing a

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new constitution; the Ambassador replied that he did not believe it was a deadline. The FM also wondered whether France was moving away from abstention, towards supporting a resolution; the Ambassador assured him that is what we would like.

[1](#)7. (C) Madrid Conference: Dr. Mohammed sought clarification of the structure of the Madrid donors conference on Iraq, and of the mechanism for managing contributions that countries may pledge. Specifically, he wanted to know: who would chair the conference, whether contributions would be funnelled through the Iraq Development Fund (IDF) -- or if

not, through what mechanism, managed by whom --, and who would represent Iraq. He also wanted to know what the CIC's role, if any, was in relation to the IDF, and how oil revenues would be handled once the Oil-For-Food Program ceased operation. The Ambassador promised to seek clarification.

18. (C) ACTION REQUEST: Please provide answers to the questions in paragraph 7, that we can share with MFA.

19. (C) Kuwait Airways-Iraq Air Court Case: The Ambassador raised the UK court case in which Kuwait Airways is suing Iraq Air, and asked that the GOK request a six-month delay, without which Iraq Air would face bankruptcy (refs B, C). Dr. Mohammed seemed unaware of the October 1 court date; he stated that an out-of-court settlement of \$150 million had been agreed. The matter involved insurance companies and was "quite complicated." He encouraged the Ambassador to contact the Minister of Finance, who has responsibility for Kuwait Airways, directly.

10. (C) Australian Sheep: the FM raised the issue of a shipload of live sheep from Australia that had been denied entry into Saudi Arabia on grounds of disease. He said his Australian counterpart had phoned him about this, asking Kuwait to receive the shipment and process it in its slaughterhouses, the meat to be distributed free of charge in Iraq as a donation from Australia. This was a very awkward matter for Kuwait: there is a GCC rule against landing cargo in one state that has been banned from another. Furthermore, the local press play is highly negative: it is being called "the shipment of death," portrayed as poisoned meat for Iraqis to be sent through Kuwait. The Australians are very generous people, Dr. Mohammed remarked, but the whole idea makes no sense: Iraq exports livestock - "you can buy a sheep there with a banana". Amb. Babbitt interjected that the problem may be about to move off of Kuwait's doorstep: he understood the Australians were thinking about re-approaching the Saudis or sending the sheep to Africa.

(U) AFGHANISTAN  
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11. (C) POTUS Letter: The Minister mentioned President Bush's recent letter to the Amir, asking Kuwait to continue to provide support to Iraq and Afghanistan. He wanted to know what the USG has in mind. On Afghanistan, he recalled that Kuwait has so far pledged a total of \$30 million; the Ambassador reminded him that half that amount was balance-of-payments support and half was for a road project. The Ambassador noted that the President's \$87 billion supplemental budget request to Congress includes money for Afghanistan, and that we are doubling our aid to Afghanistan this year. He promised to try to provide more information on our aid strategy for Afghanistan.

12. (C) ACTION REQUEST: Please provide fuller information on our aid strategy for Afghanistan and how the GOK could fit in, for delivery to MFA.

13. (U) Baghdad, Kabul minimize considered.  
JONES